

# **Part I:**

## **Michigan Department of Agriculture Annual Report 2002**



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# ANNUAL REPORT 2002

## Director's Summary

The Michigan Department of Agriculture (MDA), created in 1921, serves, promotes and protects the food, agricultural, environmental and economic interests of the people of Michigan. MDA is charged with a variety of program responsibilities that affect every person who lives, works, or simply travels through Michigan. Each division of MDA strives to reach program goals that reflect the department's main priorities of:

- Food Safety and Security;
- Environmental Stewardship;
- Animal and Plant Health and Protection;
- A Viable Agriculture Economy;
- Consumer Protection; and,
- Homeland Security.

This report highlights MDA's key achievements during 2002.

The department successfully implemented and enhanced programs to protect and preserve Michigan's food and agriculture industry, and our state's natural resources. During 2002, MDA:

- Implemented Phase I of a new web-based food inspection system, "e-Inspector." The system gives food inspectors immediate access to food safety information by allowing inspectors, statewide, to enter inspection data directly into the system via laptop computers in the field.
- Strengthened food safety measures during 2002 to stem the threat of domestic terrorism. Enhanced food safety and security measures will also increase the department's ability to trace food products to their origin and develop appropriate mitigation strategies to prevent potential pesticide or pathogen contamination in the future.
- Supported national efforts to develop coordinated emergency preparedness strategies, including an ongoing review of MDA programs, processes and procedures, to prepare for and minimize the effect of a potential terrorist attack on the state's food supply and other resources.
- Improved the state's response to foodborne illness outbreaks with the implementation of the Foodborne

Illness Response Strategy (F.I.R.ST.) for Michigan. This collaborative effort with the Michigan Department of Community Health and the Michigan Association for Local Public Health establishes protocol for identifying outbreaks early and implementing effective control measures promptly to prevent additional human illness.

- Worked with producers through the Conservation Reserve Enhancement Program (CREP) to implement environmentally sound practices on agricultural lands to improve water quality, prevent soil erosion and enhance wildlife habitat. More than 2,700 miles (about the distance from New York City to Los Angeles) of 100-foot wide filter strips and riparian buffers have been implemented, 17,000 acres of wetlands restored, and 9,000 acres of native and introduced grasses planted.
- Advanced the Michigan Agriculture Environmental Assurance Program (MAEAP) to help prevent agriculture-related pollution. This innovative initiative helps participating producers use effective stewardship practices that comply with state and federal environmental laws and standards.
- Identified risks to groundwater associated with pesticide and nitrogen fertilizer use practices through the Michigan Groundwater Stewardship Program, and provided one-on-one technical assistance to nearly 11,500 farmers, coordinating local, state and federal resources to help them reduce those risks.
- Protected Michigan's farmers' right to farm while ensuring sound environmental stewardship through continued review, enhancement and implementation of scientifically based Generally Accepted Agricultural Management Practices (GAAMPs).
- Significantly increased new enrollments, and reduced the amount of land set to expire from a program to preserve farmland and open spaces. Michigan currently holds more than 50,000 of these agreements, preserving over 4.3 million acres of farmland – about 40 percent of Michigan's 10.4 million acres of agricultural production land.
- Responded to the discovery of a new exotic insect, the Emerald Ash Borer, in six counties in Southeast Michigan during the summer of 2002. The Emerald Ash Borer, an invasive species originally from Asia and

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previously unknown in North America, affects ash trees. To prevent the spread of the insect, MDA quarantined all ash trees and products for the affected counties where millions of ash trees have already been killed or damaged. The state also established an Emerald Ash Borer Task Force to help control and eradicate the borer, and to minimize its damage and threat to Michigan and North America ash resources.

- Worked with federal, state and local governments and organizations to monitor for West Nile virus and other mosquito-borne viruses like Eastern Equine Encephalitis and St. Louis Encephalitis among bird, mosquito, horse and human populations.
- Continued the effort to eradicate bovine tuberculosis from Michigan's cattle herds through testing and surveillance of cattle, goats, bison and privately owned cervids. Over 832,400 livestock have been tested statewide to date. In addition, over 105,500 wild white-tailed deer have been examined for the disease. Michigan has been able to confirm that bovine TB is concentrated in a small area of Northeast Lower Michigan, and has refocused its resources accordingly. These efforts have laid the groundwork for MDA to establish zones, the first step to obtaining split state status from USDA, and enabling the majority of the state to regain TB-free status as soon as possible.
- Implemented a surveillance and response strategy for Chronic Wasting Disease. MDA oversees the licensing, registration and inspection of the state's privately owned cervid operations. This emerging disease has the potential to significantly impact both the privately owned and wild cervids if it is established in Michigan, and could cripple the state's agriculture, hunting and tourism industries. To date, MDA has tested 603 deer and elk from 53 counties for the disease, all of which have tested negative.
- Expanded value-added initiatives and marketing efforts to attract, expand or retain food processing companies, develop new products and new domestic and international markets for Michigan agricultural producers and agri-businesses.
- Fostered alliances with producers, industry organizations, and other agencies to ensure coordinated efforts for improving research opportunities and protected markets, resources and jobs in Michigan's agriculture sector.

- Encouraged participation and youth involvement in agriculture at Michigan's 87 county and local fairs and two state fairs, to help ensure that Michigan residents stay connected to their agricultural roots.
- Strengthened Michigan agriculture through the Julian-Stille Value-added Agriculture Development Grant, leveraging public funds with private investment for value-added agricultural initiatives for Michigan specialty crops. Twenty-eight projects were selected to receive \$1.14 million.
- Built on existing domestic marketing efforts with the development of the "Select a Taste of Michigan Local and Organic Foods" program. The program, aimed at helping consumers and businesses identify and buy Michigan homegrown and organic foods, will be launched in early 2003.
- Prevented pesticide misuse, and the adverse health and environmental impacts that misuse can cause, through regulation of the distribution, sale and use of pesticides in Michigan.
- Ensured that gasoline sold in Michigan meets quality and quantity standards, protecting consumers against economic losses and industry against unfair trade practices. In 2002, 4.7 billion gallons of gas were sold in Michigan. More than 800 complaints were received against gasoline retailers, and 10 percent of gasoline failed to meet quality performance standards. This was a 3 percent improvement from the previous year, representing a reduction in fraud-related loss for consumers of about \$176 million.
- Ensured that all transactions based on weight, measure or count were fair and accurate. In 2002, MDA responded to 800 complaints alleging short weight, short measure or item pricing violations. MDA also inspected over 14,000 devices at more than 3,800 establishments.
- Completed renovations at MDA's Geagley Laboratory in East Lansing. Equipped with the latest technology, the laboratory plays a key role in meeting a wide array of testing and diagnostic needs of the state's food and agriculture industry.

#### **MDA Regional Offices**

MDA's seven regional offices play a vital role in providing services to department customers. Located throughout the state, local experts are available to offer assistance to industry, residents and consumers quickly and efficiently.

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In most cases, problems are solved at a regional level, allowing businesses to continue serving their customers effectively in accordance with state laws and regulations.

## Commission Summary

Members of the Michigan Commission of Agriculture are appointed by the Governor to establish policies and provide administrative direction for the Michigan Department of Agriculture. The five Commission members are appointed for a four-year term, with confirmation of the Michigan Senate.

Commissioner Douglas E. Darling chaired the commission in 2002. Commissioner Nora M. Viau served as vice-chair and Commissioner William Pridgeon served as secretary. In 2002, Commissioners Douglas Darling and Jordan B. Tatter were re-appointed to four-year terms by the Governor. Commissioner James Maitland continued service on the commission.

The Michigan Commission of Agriculture met monthly in 2002 with the exception of May and October. In keeping with the Commission's desire to be accessible throughout Michigan, meetings were held in Grand Rapids (January), East Lansing (March, July, and September), Livonia (June), Escanaba (August), Hillsdale (November), and Traverse City (December). Remaining meetings were held in Lansing. Meeting in various parts of the state increases constituent input, and allows the Commission to get first-hand information about local issues from those directly involved. The Commission met in conjunction with Agriculture and Natural Resources Week at MSU, Ag Expo at MSU, Michigan Association of Fairs and Exhibitions Annual Convention, the Upper Peninsula State Fair, and the Michigan Farm Bureau Annual Meeting.

Bovine TB continued as the single biggest issue on the Commission agenda in 2002. Other prominent issues during 2002 were Generally Accepted Agricultural Management Practices (GAAMPs) and Right to Farm issues, Agricultural Processing Renaissance Zones, international marketing programs, agricultural development opportunities in Michigan, agricultural disasters involving frost-freeze, excess rainfall, and drought, West Nile virus, Chronic Wasting Disease and the Michigan Agricultural Environmental Assurance Program (MAEAP).

Commission staff prepared meeting notices, agendas, minutes and director's reports for each meeting. Staff also prepared nine resolutions that were adopted by the

Commission during the year. The Commission conducted all of its meetings and other activities within its budget of \$39,500.

## Executive Office Summary

MDA's Executive Office oversees the administrative and policy issues of the department. The Executive Office consists of the director, deputy director, director of agriculture policy, legislative liaison, public information officer and support staff.

The director is appointed by the Michigan Commission of Agriculture and acts as the chief executive officer of the agency. The director also works in concert with the commission on policy issues and serves as the department's liaison with the Governor's Office and the Michigan Legislature.

The deputy director is responsible for managing the department's day-to-day operations, and works closely with the department's division directors and key program staff to oversee department functions.

The director of agriculture policy works with the director and other key personnel to review, revise and propose department programs and policies, and also serves as the key contact for federal issues and congressional contacts.

The legislative liaison is MDA's link to the Michigan Legislature and the Michigan Office of Regulatory Reform.

The public information officer serves as the department's point person and spokesperson for media contacts and the public regarding MDA programs and issues.

## Division Accomplishments

*Top Division Accomplishments for 2002*  
(October 1, 2001 – September 30, 2002):

### Agriculture Development Division

The Agriculture Development Division (AgD) serves as a catalyst in expanding value-added agriculture initiatives and marketing efforts to attract, expand or retain food processing and agriculture support businesses as well as the development of new or enhanced domestic and international markets for Michigan food and agricultural products. The division also works to strengthen

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profitability for Michigan's family farms and enhance opportunities for the state's food and agriculture industry. During 2002, AgD staff:

- Helped attract Michigan's first commercial ethanol plant, Michigan Ethanol LLC, in Caro, MI, which came online in November 2002. This value-added agriculture facility is expected to consume over 15 million bushels of Michigan corn annually, boosting local corn prices and expanding the local economic base by \$110 million each year. Michigan Ethanol LCC will add nearly \$20 million in household income annually, providing 41 direct jobs and supporting hundreds more throughout the regional economy.
- Provided leadership for the Michigan Apple Committee (MAC) and apple industry in opening the Mexican market for Michigan fresh apple shipments for the first time since adoption of the North American Free Trade Agreement (NAFTA).
- Assisted in the formation of the Michigan Sugar Beet Growers Cooperative, Inc., and facilitated the approval of a \$5 million interest-free loan from the Michigan Department of Treasury to the cooperative, which enabled Michigan sugar beet farmers to purchase Michigan Sugar Company. The purchase by growers saved the company from closure, saved 350 full-time and 1,100 seasonal jobs, and maintained the \$170 million economic base in the 11 Michigan counties where sugar beets are grown and processed.
- Supported the development of the Michigan Partnership for Product Agriculture, a value-added agricultural network to aid producers, food processors and agri-businesses in developing successful value-added agriculture ventures.
- Provided \$150,000 through the MDA International Market Development Grant Program to 11 Michigan food and agricultural organizations. These proposals have the potential to leverage nearly \$630,000, or more than a 4-to-1 basis, in federal and private resources to develop or enhance overseas markets.
- Administered the Julian-Stille Value-added Agriculture Development Grant Program, created by Public Act 322 of 2000 to strengthen Michigan agriculture by offering an opportunity for producers, food processors, agri-businesses and others to leverage public funds with private investment to foster value-added agricultural initiatives in the specialty crops industry. Twenty-eight

projects were selected to receive funding totaling \$1.14 million.

- Assisted in the establishment of trade opportunities with Cuba for the first time in over four decades, through a collaborative effort with Michigan Farm Bureau, Michigan Bean Commission, Michigan Bean Shippers Association and others at a trade show and educational seminar in Mexico. This resulted in a \$300,000 sale of Michigan beans.
- Leveraged \$70,000 in federal funds to promote Midwestern wines, including those of five Michigan wineries, which sold their first orders to three separate German importers.
- Leveraged \$78,000 in federal funds and coordinated the promotion of processed apple, blueberry, cherry and cranberry products targeting the Mexican baking industry. Over 200 Mexican bakery industry professionals attended two seminars in Mexico City. Three Michigan-based fruit processors participated in a Mexican bakery trade show to meet with prospective importers of their products.
- Promoted the availability of Agricultural Processing Renaissance Zones (APRZs) to firms both in and outside of Michigan. Reviewed and recommended the approval of six APRZs to retain, expand or initiate value-added agriculture projects for Michigan's food and agriculture industry. The six new APRZs include: Keebler Company, Inc., Grand Rapids, Kent County; Graceland Fruit Company, Frankfort, Benzie County; New Era Canning Company, New Era, Oceana County; SubTerra, LLC, Carp Lake Township, Ontonagon County; Sunrise Aquaculture, LLC, Hillman, Montmorency County; and Zeeland Farm Services (ZFS), Zeeland, Ottawa County.
- Leveraged \$1.6 million for the promotion and betterment of the specialty crop industries in Michigan. Grants were made available directly to Michigan commodity organizations and producers to strengthen, promote and develop markets of their specialty commodities. The USDA/MDA documented value and volume of each commodity produced in Michigan determined grant amounts available to each commodity.
- Assisted 26 Michigan firms in applying and qualifying for more than \$209,500 in federal funds to reimburse their export development costs. Through membership in the Mid-America International Trade Council (MIATCO), MDA enables Michigan food producers and

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processors to receive reimbursements of up to 44 percent of their export market development costs in the USDA Branded Market Access Program.

- Coordinated participation of 15 Michigan firms in the Michigan pavilion at the Food Marketing Institute/U.S. Food Export Showcase in Chicago, the largest grocery store trade show in the world. Six months after the show, participants reported sales directly resulting from the activity in excess of \$650,000.
- Leveraged federal funds for Michigan food and agriculture organizations to access federal export development funds totaling nearly \$606 million.
- Leveraged \$180,175 in federal funds from the Federal State Market Improvement Program, funding three new projects. This was the most received by any state in this year's funding cycle. Funds went to the Midwest Nut Producers Council to conduct market place research on two new chestnut products (chestnut puree and chestnut crumble); the Michigan Asparagus Advisory Board for new product development, and MDA to create and maintain new market channels for specialty food producers based in Michigan's tourism industry.
- Attended 95 percent of regular, special and annual meetings for 15 legislatively established commodity, and worked with Assistant Attorney General to review proposed programs, statutory issues, and unpaid or unremitted assessment funds. Chaired several meetings with commodity executives and assisted the Michigan Legislature and the agricultural industry in the adoption of several amendments to Public Act 232 of 1965, the Agricultural Commodities Marketing Act, as amended.
- Conducted a producer survey of more than 2,000 agri-tourism entities in Michigan, in cooperation with Western Michigan University, to study the economic impact of agricultural tourism in Michigan.
- Assisted the Great Lakes Pork Cooperative with a membership drive to help the industry pursue value-added processing opportunities. The cooperative is currently exploring an opportunity to purchase a meat processing facility.
- Participated in Michigan Beef Quality Assurance producer training seminars across the state to certify producers as eligible to produce cattle in the Five State Beef Initiative (FSBI) system.

- Coordinated information and educational training to 1,985 individuals through the Michigan Risk Management Partnership Program. Program partners established a web site at [www.michiganagrisk.org](http://www.michiganagrisk.org), sponsored speakers and provided financial support for several risk management outreach and educational meetings.
- Developed the concept and obtained federal funding for the Select Michigan Foods: "Select a Taste of Michigan" Organic and Local Foods Program, a partnership among MDA, Cooperative Development Services, Michigan Integrated Food & Farming Systems (MIFFS), and many local partners. MDA and MIFFS will develop and field educational campaigns to promote Michigan-produced organic and locally grown products to Michigan consumers and retailers. Although a statewide effort, the Grand Rapids area was chosen to pilot the advertising and marketing campaign. Growers will be recruited from across the state to produce product for partnering retailers.
- Served as a member of the Search and Review Committee for the C. S. Mott Endowed Chair of Sustainable Agriculture at MSU. This six-month search process resulted in the selection Dr. Michael Hamm to fill the position.
- Facilitated the development by Sietsema Farms of a \$9 million feed mill near Howard City (Montcalm County), which will provide about 20 jobs in the Montcalm/Gratiot Renaissance Zone.
- Assisted in the development of a \$2.5 million meat processing plant by Dublin Jerky Company near Irons, Michigan (Lake County), which will provide about 60 jobs and improve the local economy by over \$10 million annually in Lake/Clare/Newaygo Renaissance Zone.
- Administered a \$450,000 state grant, which was matched by private investment, to purchase \$900,000 in new equipment by Michigan Turkey Producers Co-op, Inc. (MTPC), in Wyoming (Kent County). MTPC plans to launch their new "Legacy" brand in retail and institutional markets, and expand value-added turkey products over the next two years.

## **Animal Industry Division**

The Animal Industry Division (AID) safeguards the health and welfare of livestock and domestic animals in Michigan. The division monitors animal disease, diseases

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transmitted to humans by animals, and food safety hazards to protect the health of Michigan residents. The division is responsible for administering reportable animal disease programs and overseeing toxic substance contamination incidents relating to animal health. AID also enforces the humane treatment of animals through the licensing and regulation of animal shelters, pet shops, and riding stables. The state veterinarian administers the division, and supervises animal disease surveillance and eradication programs throughout the state.

The division remained very active in animal health programs in FY 2002. The division continues to address bovine tuberculosis eradication as well as the threat of Chronic Wasting Disease. Michigan's animal health emergency management planning was substantially strengthened in FY 2002. During FY 2002, AID:

- Submitted an application to the U. S. Department of Agriculture, Animal and Plant Health Inspection Service, Veterinary Services (USDA APHIS VS) for Michigan Split State Status for cattle in the National Tuberculosis Eradication Program.
- Implemented statewide zoning to split Michigan into three zones to enhance efforts to eradicate bovine tuberculosis. The three zones are designated Disease Free, Surveillance, and Infected, and each carries specific testing, movement, identification, and permitting requirements.
- Completed Michigan's Strategic Plan for the Eradication of Bovine TB, detailing Michigan's eradication project.
- Tested approximately 700,000 head of cattle statewide since the inception of the Bovine TB Eradication Project. Animals from a total of 26 herds tested positive for the disease, and were submitted for further testing. The number of positive herds identified each year has averaged between five and eight herds. Between 50 and 80 individual deer have tested positive during each year of testing.
- Enhanced the Michigan Electronic Identification Program for livestock, a program initiated in November 2001. In 2002, 21,578 head of cattle in Alpena, Montmorency, Alcona, Presque Isle, Oscoda, Cheboygan, Ogemaw, Otsego and Iosco counties received the electronic ID tags. In addition, four sale barns had stationary readers, and tracked 1,786 electronically tagged cattle through the barns. An additional two packing plants received stationary RFID readers, bringing the total to five. These readers tracked 712 electronically tagged cattle through the packing plants.
- Created a comprehensive surveillance and response plan for Chronic Wasting Disease (CWD), in concert with the Michigan Department of Natural Resources. It outlines the surveillance and testing activities of both agencies to prevent CWD from entering Michigan, plus a contingency plan should CWD be found in Michigan.
- Established a mandatory CWD surveillance plan for Michigan's privately owned cervids that will test all death losses and illnesses from herds in each county.
- Received, in June 2002, approximately \$212,000 in Homeland Security Grant monies from USDA. Seven grant projects have been developed to increase animal disease surveillance activities and to improve response capabilities.
- Participated in a comprehensive two-week "Emergency Management Concepts and Issues for Animal Health Managers" training course conducted by USDA, APHIS and sponsored by the U. S. Department of Justice.
- Completed the development of Michigan Animal Disease Emergency Response System (MADERS), a cooperative project funded by USDA and involving Michigan State University, College of Veterinary Medicine (MSU CVM), Population Medicine Center; USDA, APHIS, VS; and MDA epidemiologists.
- Conducted biosecurity training for all MDA, AID and USDA, APHIS, VS field staff in Michigan. This two-day training consisted of a review of modes of spread of disease organisms, proper intervention strategies, and appropriate cleaning and disinfecting procedures.
- Handled an outbreak of avian influenza in turkeys (low pathogenicity, H5N1 strain). Ordered the destruction of 28,235 turkeys, which prevented the disease from spreading.
- Participated in a successful response to major emergence of West Nile virus (WNV). Three hundred forty-seven (347) equine cases of WNV were diagnosed in FY 2002 (no cases were found in FY 2001).
- Reached April 30, 2002, deadline for testing all equidae in Michigan for Equine Infectious Anemia (EIA). It



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appears that nearly all equidae were tested, as required. Eight horses were found to be positive for EIA in FY 2002. Case investigations led to testing 150 additional exposed horses.

- Followed up on one case of Eastern Equine Encephalitis (EEE) in a horse.
- Followed up on 45 animals diagnosed positive for rabies.
- Conducted 22 tissue drug residue violation investigations. These cases are detected at slaughter and are traced back to the farm of origin for follow up to deter future violations.
- Successfully initiated changes in the USDA Scrapie Eradication, Uniform Methods and Rules to accept and reflect the Michigan Scrapie Risk Reduction Program.
- Received federal funding to implement a Johne's disease control and eradication demonstration project in four Michigan dairy herds, in cooperation with MSU, CVM, and USDA.
- Handled and completed 31 enforcement investigations. Five appearance tickets were issued. The enforcement investigations were in the following program areas: equine (11), bovine TB (4), bodies of dead animals (1), avian (2), and cervidae (1).
- Maintained Pseudorabies Stage V Free Status for Michigan swine.
- Provided animal health support at the UP State Fair and the State Fair in Detroit,
- Enhanced AID enforcement program through training with Michigan State Police.

## **Environmental Stewardship Division**

The Environmental Stewardship Division (ESD) administers programs related to environmental protection and agriculture pollution prevention. Environmental stewardship activities ensure that farming operations protect land, water resources, and public health. During FY 2002, the division:

- Awarded 11 grants to Conservation Districts to provide technical assistance to landowners enrolled in the Conservation Reserve Enhancement Program (CREP).

These districts have enrolled 2,747 miles of 100-foot wide filter strips. This accounts for 33,306 acres, the distance from Los Angeles to New York City. In addition, 15,470 acres of wetland restorations and shallow water areas for wildlife have been enrolled, 4,000 of these acres are wetlands and 11,000 acres are native warm season grass upland buffers. Additionally, 9,204 acres of highly erodible land have been enrolled into whole field conservation cover plantings, and 1,221 acres of windbreaks have been enrolled.

- Another state-sponsored component of CREP, the Livestock Access Program (LAP), provides producers 100% reimbursement for established practices to control or exclude livestock access to surface waters. Participants in LAP have installed five controlled livestock crossings, seven alternate watering sources and over six miles of exclusionary fencing.
- Launched the Michigan Agriculture Environmental Assurance Program's (MAEAP) Livestock System on-farm verification, with a total program menu of educational sessions, Comprehensive Nutrient Management Plan (CNMP) assistance, and the development of farm-specific verification. Over 1,200 producers and technical assistance providers have attended Phase 1 educational sessions. Program staff continued efforts with MAEAP partners and the Virtual University at MSU to develop a MAEAP Web site – [www.maeap.org](http://www.maeap.org).
- Launched the MAEAP Farmstead System. Trained groundwater technicians to assist producers in assessing the risk of contaminating ground or surface water at the farmstead. A farm-specific action plan was developed to address identified risks for both livestock and non-livestock operations. Producers are encouraged to continue with on-farm verification.
- The Michigan Groundwater Stewardship Program (MGSP), in 2002, worked one-on-one with over 1,000 farmers to identify groundwater risks and to develop plans to reduce those risks. Technicians implemented a wide variety of Groundwater Stewardship Practices, including 544 abandoned well closures, 316 emergency plans, 2,130 spill kits, 2,731 acres of custom pesticide application, 14,864 acres of pre-sidedress nitrate testing and 1,346 acres of integrated pest management.
- The Michigan Pesticide Container Recycling Program recycled 39,194 pounds of properly rinsed pesticide containers at 80 agri-business sites.

- The MGSP Clean Sweep program collected, removed, and properly disposed of more than 185,000 pounds of pesticides and mercury in FY 2002. MGSP, in cooperation with county and local units of government, has established 16 permanent Clean Sweep sites located throughout the state.
- The MDA Groundwater Monitoring Program sampled 319 domestic wells in FY 2002 as part of MDA groundwater monitoring research and contamination investigations, at no charge to well owners. Many of the wells were sampled as part of an investigation into DCPA metabolite contamination of groundwater in Coloma, Michigan. Most of the remaining wells had been sampled previously by the department because they were near contaminated wells. These wells were re-sampled to ensure that they remained uncontaminated. The Groundwater Monitoring Program also screened 2,008 wells for atrazine and nitrate contamination in FY2002, at no charge to well owners.
- Through education and direct assistance, MDA/ESD field staff worked with 80 conservation districts to develop countywide resource assessments and strategic plans. These documents will guide the conservation efforts of the local conservation districts for the next three years.
- Inspected and licensed over 4,056 individual living units for migrant workers with a capacity of 23,115 workers at 870 locations. Administered \$550,000 through the migrant labor housing construction grant program, resulting in producers investing \$2 million in housing construction projects, with significant improvements to over 489 living units and the establishment of 108 new living units.
- Responded to 145 new environmental complaints through the Right to Farm program, an increase in the number of complaints for any previous 12-month period. Received 27 requests for Site Selection and Odor Control verification on livestock facilities, 19 of which have been verified to date.
- Administered 33 petition projects benefiting 200 miles of drain and 1.3 million acres of farm and urban property. The drain maintenance program responded to 136 drain maintenance requests in 41 different counties improving approximately 400 miles of drains serving almost two million acres of multiple use watersheds. Seven of the drains are currently involved in multipurpose watershed projects which have received

\$1.9 million in grants to improve the quality of the watersheds from the Clean Michigan Initiative, Section 319 of the Clean Water Act, the Great Lakes Coastal Restoration Grant, the Great Lakes Protection Fund, and the Federal Hazard Mitigation Grant.

- Processed the renewal of 3,688 farmland and open space preservation agreements, securing 295,000 acres from development. A total of 50,000 agreements are protecting more than 4.3 million acres. Legislative changes improved the incentives for enrollment resulting in an increase, from an average of 155 new applications annually in the years 1997-2000 to 316 new applicants in 2002 alone.
- Permanently protected an additional 14,200 acres of farmland through the purchase of two additional farmland development rights easements that equaled 331 acres at a cost of \$1.4 million. Two additional Farmland Development Rights Easements were donated, permanently protecting an additional 355 acres.
- Received \$193,900 in 2001-2002 for the Agriculture Energy Program. The Energy Conservation Program receives funding from oil overcharge settlements to implement energy conservation practices. This program has been in place at various levels since 1987. Over \$135,000 was distributed in grants and contracts for programs and projects with an energy conservation component. Efforts from these programs and projects combined to save an estimated 0.771 trillion Btu's.
- During the first 27 months of the Cooperative Resource Management Initiative (CRMI) program, staff: assisted over 15,400 landowners and other citizens on over 485,000 acres; conducted over 36,000 in-office and telephone visits and 2,300 government agency assists; facilitated over 2,000 comprehensive management plans on over 120,000 acres; conducted 1,400 public programs and demonstrations attended by more than 63,000 people; prepared and presented over 1,000 newspaper, newsletter, TV and radio articles and announcements; and provided technical assistance and referrals that enabled approximately \$11.7 million of standing timber to be marketed.

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## Fairs, Exhibitions and Racing Division

The Fairs, Exhibitions and Racing (FER) Division oversees Michigan's state, county and local fairs, county horse racing programs, and horse racing breeding and owner assistance programs. The division also administers grant programs for the 89 fairs and the horse racing industry. FER staff during 2002:

- Partnered with the fair and festival industry to present workshops at both of their conventions on investigative techniques, disaster planning, Blue Ribbon premium program, and water quality management.
- Continued to lead a task force to study water safety issues at fairgrounds. This year nine studies were completed, including the two state fairgrounds. The team also presented a spring workshop for fairs and festivals on the study results and recommended preventive actions.
- Continued to work with the Michigan Thoroughbred Owners and Breeders Association to sponsor youth horse racing events. This year three fairs participated in youth racing.
- Offered \$120,000 in competitive livestock grants to more than 30 organizations.
- Offered a statewide fine arts contest to fairs for the second year. Six classes were offered with a premium of \$400 per class.
- Started the review process on Regulation 811, fair premiums. A series of focus group meetings were held at the fair convention to determine issues or concerns about current regulations. A work committee was then established, including representatives from the fairs and the livestock exhibition industry, to draft proposed revisions to the regulations. The target date for implementation is the 2004 fair season.
- Partnered with the Michigan Youth Livestock Fund to award six \$1000 scholarships to youth exhibitors of the Michigan State Fair. The fund also provided \$21,000 in educational awards to 125 exhibitors.
- Completed drug testing on race horses at 28 of the 29 fairs that offer county fair racing. Of the 1,635 samples collected and tested, only four were positive for illegal drugs. The crew also collected samples at 14 draft horse

pulling events. There were no positive samples found in the 35 samples collected and tested.

- Funded 62.5 percent of the premiums paid for competitive exhibits at all fairs throughout the state. (This percentage is based on all premiums paid in 2001, which totaled more than \$2.6 million.)
- Successfully presented the Michigan State Fair, finishing in the black for the third time in the past 30 years. The UPSF made a profit as well.
- Held a unique mat design contest at the UPSF. Over 228 proposals were submitted and 50,000 copies of the winning place mat, which advertised the UPSF and agriculture heritage at the fair, were distributed throughout the UP.
- Partnered with local schools, and International Paper to host the "technology and agriculture/natural resources challenge" at the UPSF. Power point and videos were submitted to reflect the diversity of agriculture and natural resources in Michigan.

## Finance and Administrative Services Division

The Finance and Administrative Services Division (FAS) administers business processes for the department, including budget, accounting, auditing, procurement, facility management, travel arrangements and mail operations. During 2002, FAS:

- Made great strides in streamlining and clarifying the department's grants/contracts process, and developed a decision tree, available on the Intranet, for use by internal customers to decide which process to use when deploying resources.
- Improved the department's internal fiscal stewardship process through the implementation of a more structured mid-year review process and by meeting with program staff before each meeting with the executive office.
- Facilitated a number of training sessions with an emphasis on federal programs and accompanying requirements when MDA accepts federal funding.
- Closed the department books early, within the timelines required by DMB and the Governor's office.

- Clarified the role and independence of the Internal Auditor. This function now reports to the Executive Office where it maintains its audit and review independence.
- Continued a partnership with the Michigan Department of Education and the State Employees Credit Union to provide a fiscal stewardship program/brown bag lunch series for MDA and MDE.

## Food and Dairy Division

The Food & Dairy Division is committed to protecting public health and ensuring a safe, secure and wholesome food supply. To achieve this, the division administers food, beverage and dairy laws in Michigan. FDD staff conducts regular inspections or oversees the inspections of food and dairy products from restaurants, farms, grocery stores and other food establishments across the state. In order to maintain a viable food industry, the division also lends support and assistance to food producers and provides information to consumers and stakeholders. All these functions support the primary mission of the Food & Dairy Division - food safety. In 2002, the Food & Dairy Division:

- Conducted 26,756 inspections at food and dairy facilities, 77 Right to Farm investigations, and 1,604 consumer complaint investigations of food facilities.
- Licensed 46,610 food service establishments, including restaurants and cafeterias.
- Licensed 17,284 retail food establishment including 1,278 temporary state/county fair retail food establishments.
- Conducted 983 enforcement actions in order to correct food safety violations.
- Implemented Phase I of the e-Inspector system, a web-based inspection system, consisting of a central database that is accessed by food supervisors and program management, and a laptop application that is utilized by field inspectors. This allows food inspection data to be captured and transmitted directly from the field to the central database. The e-Inspector system schedules inspections consistent with the food safety risk, flags inspection findings that require enforcement action, and generates management reports. While the initial implementation is underway, the ultimate goal of e-Inspector is to utilize the Internet, allowing the public

to have direct access to inspection data of facilities throughout the state.

- Strengthened food safety measures during 2002 to stem the threat of domestic terrorism by maintaining a statewide foodborne illness database; working at the national level to develop coordinated preparedness strategies; providing extensive training to local health department and Food and Dairy Division staff in foodborne illness investigation techniques, and sharing of food security information and recommendations with Michigan food industry associations.
- Spearheaded the 2002 statewide rollout of the Foodborne Illness Response Strategy (F.I.R.ST.) for Michigan. F.I.R.ST. was developed through the collaboration of Michigan state and local agencies. The strategy seeks improved coordination during outbreak responses to identify outbreaks early, implement effective control measures promptly, and prevent further human illness.
- Participated in a multi-agency initiative to evaluate the safety of water supplies at nine fairs in Michigan and to identify effective risk reduction practices. This is part of an ongoing initiative to improve water quality at fairs in Michigan.
- Created and distributed publications to aid producers and consumers including ongoing issues of Food Digest and the inaugural issue of Dairy Digest, which informs dairy farmers, milk haulers and processors about the new Manufacturing Milk Law and the Grade A milk Law signed into law in January of 2002.

## Human Resources Division

The Human Resources Division (HR) supports department personnel in a variety of program areas. The division is responsible for the selection, hiring and compensation of department employees, as well as the administration of employee benefits, position classification, labor relations and training. The division oversees programs that ensure equal employment and equitable representation of groups within the department's work force. Programs include: recruitment, student programs, career seminars, reasonable accommodation coordination, sexual harassment complaint investigations, health and safety coordination, and compliance with the Americans with Disabilities Act (ADA). During FY 2002, HR:

- Implemented the web-based Employee Self-Service feature of the Human Resource Management Network (HRMN). This system allows employees to access and update their own personnel records at their convenience on any computer with Internet access.
- Collaborated with the Departments of Civil Service and Management and Budget in the implementation of the state employee early retirement program. Helped 76 MDA employees transition into early retirement and coordinated the search and selection processes to hire authorized replacements.
- Coordinated and processed the hiring of 282 employees throughout the year. This included 35 full time employees, 48, non-career employees such as students and fruit/vegetable inspectors, and 199 special personal service contractual employees in State Fair operations, conservation services, horse racing operations, and animal industry activities.
- Conducted and coordinated numerous training programs throughout the year. These included conducting eight sessions of Civil Service mandated training on discriminatory harassment and workplace violence. These sessions were conducted throughout the state and reached 170 department employees.
- Coordinated a department administrative support conference attended by 85 employees.
- Conducted four two-day training sessions on targeted selection involving 25 employees. In addition, training was coordinated for approximately 300 department employees in competency development in the areas of customer service, technical expertise, leadership, problem solving, and communication.

## Laboratory Division

The Laboratory Division performs scientific and analytical services that support MDA programs. The laboratory also performs tests and offers technical consultation services for other state and federal agencies, as well as fee-based services to Michigan industry and private citizens.

The Laboratory Division consists of two world-class facilities: the William C. Geagley Laboratory in East Lansing, Michigan, and the E.C. Heffron Metrology Laboratory in Williamston, Michigan.

The Geagley Laboratory performs more than 300 different biological, chemical and physical tests on a routine basis. The laboratory examines food samples, beverages, pesticides, seeds, fertilizers and feeds to ensure a safe food supply, verify labels, ensure compliance with state and federal regulations and to guarantee product quality. The Geagley Laboratory also monitors food and animal feed for contaminants, tests blood and urine from competing race horses for performance enhancing drugs, and tests livestock samples in order to prevent the spread of infectious diseases.

The Heffron Metrology Laboratory renders ultra-precise mass, volume and length calibration certification for Michigan businesses, and houses the consumer protection programs for Weights and Measures and Motor Fuels Quality. The metrology laboratory also conducts regulatory services; calibrating standards used for enforcement by the Michigan Treasury and Agriculture departments, Michigan State Police, and all county road commissions. The tests and analyses conducted by the metrology laboratory assure that weights and measures in Michigan comply with national standards, making items eligible for international trade, and preventing economic fraud and deception. During FY 2002, the Laboratory Division:

- Completed a three-year, \$12 million renovation of the Geagley Laboratory. The project renovated over 65,000 square feet of laboratory space including the complete replacement of electrical, mechanical and HVAC systems as well as fume hoods, cabinetry and safety equipment. Most laboratory operations continued during the multi-phase project. The completed renovation provides the department with a world-class analytical laboratory to compliment its state of the art Metrology laboratory and ensures the production of high quality agricultural related testing and calibration services well into the future.
- Provided training on the ISO 17025 Laboratory Standard to all staff. The training prepares staff with the knowledge and skills to attain and/or maintain accreditation of their testing and calibration programs. Presently the Food and Dairy Chemistry and Microbiology programs, and the Metrology laboratory are accredited to ISO standards.
- Tested over 180,000 serum and other biological samples for Brucellosis, Equine Infectious Anemia, Pseudorabies, Johne's, Anaplasmosis and Bluetongue

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diseases. Approximately 65,000 of these tests were fee-based samples that generated \$290,000.

- Tested 438 bird sera and 1,617 mosquito pools for Eastern Equine and St. Louis Encephalitis in support of the department's arbovirus surveillance program. Of the bird sera samples, 12 tested suspicious and three tested positive.
- In cooperation with the federal government, performed confirmation testing of Pseudorabies samples from Alabama.
- Successfully completed and passed all annual federal proficiency and check test samples in 2002 to maintain analyst certification for the lab's Animal Disease Surveillance Section.
- Performed over 190,000 tests on approximately 30,000 equine samples. Over 20,000 of these samples were submitted for Total Carbon Dioxide testing only. The TCO<sub>2</sub> testing program is still growing. Over this past year there was approximately a 50 percent decrease in the number of positive samples, indicating that this program is still having the desired effect on controlling abuses related to "milkshaking" in race horses.
- Performed drug testing on harness horses racing at fairs and exhibitions throughout Michigan during the summer months, in cooperation with the Fairs, Exhibitions and Racing Division.
- Participated in the "split-testing program" which offers confirmation testing of equine samples that have been reported "positive" in other states.
- Offered testing of animals at various livestock shows throughout Michigan and surrounding states to help ensure integrity in livestock competitions. This resulted in additional revenue to the state.
- Re-established a routine testing program for fertilizer and feed samples after a two-year suspension due to renovation.
- Provided testing of ticks for the presence of Rocky Mountain Spotted Fever to PPPM's Rodent and Pest Control Program.
- Provided analytical services and expertise to local community health departments and for local and state

law enforcement agencies investigating possible food tampering.

- Reorganized the Food, Dairy and Beverage section into two separated and distinct sections, Microbiology and Food, Feed and Fertilizer, in response to increases in microbiological programs.
- Continued to work on two federally funded programs – Microbiology Data Program (MDP) and Antimicrobial Efficacy Testing. The MDP received and tested (for Salmonella and E.coli) over 1,100 samples of fresh produce in 2002.
- Received 34 disinfectant samples and reported results on 13 product lots. One disinfectant product failed the efficacy test and was deemed ineffective. The analysis resulted in the manufacturer being issued a stop sale order by EPA.
- Received 88 samples as part of an annual apple cider project, which were tested for coliforms, generic E.coli, standard plate count and E.coli 0157:H7. None of the samples tested positive for pathogenic E. coli 0157:H7. Sixty samples contained coliforms, and two samples tested positive for non-pathogenic generic E. coli.
- Successfully participated in a mandatory on-site evaluation of the Pasteurized Milk Ordinance Program by the Food and Drug Administration (FDA), which occurs every three years. The dairy testing program became certified to run raw milk samples by two additional methods, the SNAP and Charm SL.
- Provided octane, vapor pressure, distillation range, sulfur content and oxygenates testing on motor fuels as both a monitoring program and in support of complaint investigations. Over 1,285 motor fuel samples were tested in 2002. Of those tested, 137 failed to meet American Society for Testing and Materials (ASTM) standards of quality.
- Analyzed farm workers' clothing and rinses of their hands and faces for pesticide residues, as part of an EPA funded Worker Protection grant. In all, 485 samples were analyzed.
- Completed analysis of 193 groundwater samples for the presence of six corn herbicides, as part of the State Management Plan and in conjunction with the Environmental Stewardship Division.

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- Received and completed 173 groundwater samples for the herbicide Dacthal as part of an investigation of groundwater contamination in Southwest Michigan.
  - Provided remote testing services throughout the state to screen 1,866 groundwater samples from farmlands for the presence of triazine herbicides and nitrates.
  - Analyzed 305 samples for pesticide residues collected during pesticide misuse investigations by the Pesticide & Plant Pest Management Division in 2002. Participated in the EPA/State Spring 2001 Check Sample program, receiving a satisfactory result.
  - Completed testing of 45 pesticide formulation samples for label claims, in cooperation with Pesticide and Plant Pest Management Division.
  - Completed testing of 15 disinfectant samples for label claims as part of the EPA- funded program.
  - Re-initiated testing of dairy products after suspension due to renovation and completed pesticide analyses on five dairy samples.
  - Completed pesticide analyses on 304 food and food related samples, in support of the federal Food Quality Protection Act (FQPA).
  - Hosted the EPA Region 5 Workshop, September 9 –13, 2002. Eight participants from four other Region 5 states attended. The first day was spent on QA/QC issues, such as ISO 17025, document control, and measurement uncertainty. Discussions were held on analytical techniques for Genetically Modified Organisms and the differing roles of the state labs, the state lead agencies and EPA.
  - Attended multiple training opportunities related to various mass spectrometry techniques as well as the Florida Pesticide Workshop, to maintain and increase staff expertise in pesticide residue analyses. The Pesticide and Environment section manager attended EPA's Region 5 Lab Director's Meeting. All members of the section received ISO training.
  - Purchased, validated, and implemented new and updated analytical instrumentation which allowed the lab to produce data with lower detection limits and increased confidence in the confirmation of detected analytes.
  - Validated and rotated one new commodity (onions) and several new compounds into the Pesticide Data Program workload.
  - Collected approximately 1,400-1,450 samples in Michigan as part of the Pesticide and Microbiological Data Programs (PDP, MDP) in FY02.
  - Received 1,054 samples in FY02 for pesticide residue analysis from sampling points throughout the U. S. as compared to 1,037 in FY01. Reported data for 799 samples to USDA and EPA for making science-based decisions in the registration of pesticides.
  - Participated in two proficiency testing programs during FY 02, one from USDA-PDP and the other from the Association of Official Analytical Chemists (AOAC). Results were reported as excellent in both programs.
  - Tested 71,864 stone fruit trees (excluding cherries) from 125 growers in 14 counties representing 1,324 acres, in order to declare Michigan free from plum pox virus (PPV). All samples collected were free from PPV. This was essential for the movement of stone fruit trees in the U.S., Canada and other foreign countries. The testing continues to ensure that stone fruit nursery stock in Michigan is free of the disease.
  - Indexed and tested 14,000 trees from Hill Top Nurseries for several viruses to provide disease-free trees to the growers. (Hill Top Nurseries maintains these scion-wood trees of apples, peaches, plum, and bud-wood trees of cherries, apricots, nectarines and pears.)
  - Tested 350,337 blueberry plants representing 23 varieties from two nurseries for five viruses, to facilitate movement of disease-free plants within Michigan, the U.S., and other countries. In addition, random screening was done for two additional viruses (blueberry shock and scorch) to protect growers from the introduction of emerging pathogens.
  - Tested rose bushes to assess the incidence of apple mosaic virus in the plants that are shipped into Michigan, to ensure consumers purchase disease-free plants. The shippers are being contacted by PPPM Division to ensure that only disease-free roses are being shipped into Michigan.
  - Issued 24 permits, cooperatively with the USDA Animal and Plant Health Inspection Service (APHIS), to conduct

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research on poplar, grasses, sugar beets, asparagus, potato, apple, tobacco, alfalfa, cucumber, soybean, wheat and corn in Michigan. Among these, 13 permits were issued for field trials to assess insect and disease resistance, herbicide tolerance, improved oil content, altered carbohydrate metabolism, production of pharmaceutical protein and lignin biosynthesis. Nine companies and universities conducted environmental release trials in seven counties.

- Authorized five permits to import 650 plants (Rosa and Hydrangea species) under the post-entry quarantine program, to facilitate introduction of foreign genetic material to improve the quality of fruit trees and landscape material. Currently, 16,049 plants have been imported and are under post-entry quarantine.
- Tested bean samples for seed-borne diseases, to maintain the quality of dry bean seed and meet seed certification and export requirements. Tests included: Anthracnose, Common Bean Mosaic Virus and Common Bean Blight. Tested 126 samples and found three samples of certified seed and 7 samples of non-certified seed infected with common bean mosaic virus. One sample of certified dry bean seed was infected with anthracnose. All dry bean samples submitted for certification were free from common bean blight. In 2002, the number of samples submitted for certification was low as growers destroyed seed fields due to adverse climatic conditions in Michigan and competition from other states.
- Inspected 7,025 acres of seed corn submitted from four seed companies for phytosanitary certification. Inspected 127 fields submitted by four companies for bacterial, fungal and viral diseases in six counties.
- Due to the presence of Soybean Cyst Nematode (SCN) in 31 counties in Michigan, conducted a SCN survey to facilitate the movement of nursery stock and plant products for export. Collected 146 samples from 82 nurseries in 34 counties, representing 2,019 acres. In addition, analyzed 40 samples from seed potato fields in eight counties, representing 1,224 acres. None of the nurseries were found infested with SCN or Golden Cyst Nematodes.
- Conducted tests on 1,248 seed samples in enforcement of the Michigan Seed Law. In addition to purity analyses, germinations and noxious weed exams, 274 seed counts were conducted and 87 tests completed for soil content in dry bean seed in support of enforcement

efforts related to the Rhizomania quarantine. Over 15 percent of the enforcement seed samples analyzed were found out of compliance with Michigan Seed Law.

- Analyzed 236 wild bird feed samples for enforcement of the Michigan Feed Law. One in four of these samples were found to contain viable noxious weeds or were misbranded/adulterated with regard to ingredient claims.
- Tested nearly 1,800 service type samples for the seed industry, farmers and for other government agencies such as the Michigan Department of Transportation and the USDA National Resources Conservation Service. Results from these tests are used to legally label seed, in decisions whether to use or sell the seed, and to verify the claims of out-of-state suppliers.
- Consulted with innumerable constituents in matters relating to seed test results, labeling, interpretations of law, seed count and more. Hosted many student tours from MSU, international groups and individuals.
- Transitioned seed section from its temporary residence at MSU back to the renovated Geagley facility. In nearly three years of cramped and sometimes awkward accommodations off-site, all seed tests were conducted and satisfactory turn-around times were maintained.
- Responded to over 700 consumer concerns about substandard gasoline and/or the wrong amount of gasoline from retailers. Retail investigations revealed that over 85 stations were found to be providing substandard fuels; 61 gasoline retailers and eight wholesalers were fined for quality violations.
- Issued over 660 warning letters to firms who were found violating the law for licensing, water content, labeling and gasoline quality.
- Monitored gasoline volatility at over 570 gasoline dispensing facilities to ensure that highly volatile fuels are not being sold in Southeast Michigan reducing their contribution to air pollution in the summer months. This assisted the area in maintaining National Ambient Air Quality Standards. One gasoline dispensing facility was found to be dispensing high volatility gasoline during routine sampling and received a corrective warning.
- Led a major overhaul of the Weights and Measures Act.
- Issued one prosecution warrant for violations of the Weights and Measures Act, P.A. 283 of 1964, as



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amended, resulting in a no contest plea, with fines and costs of \$6,500 assessed; issued six consent agreements, with penalties of \$113,900 assessed.

- Investigated allegations of violations of the Consumer Pricing and Advertising Act, resulting in fines and costs of \$275,000 being returned to MDA.
- Inspected over 14,836 weighing and measuring devices at over 3,800 establishments. In addition, over 800 complaints involving allegations of short weight, short measure, and violations of P.A. 449 (item pricing) were investigated; 17.6 percent of the commercial devices inspected failed to meet legal requirements.
- Issued 127 warnings and held 12 compliance meetings (compared with 121 and eight, respectively in 2001 and 33 and two, respectively, in 2000).
- Cooperated with auditors during an on-site audit of the E. C. Heffron Metrology Laboratory that resulted in continued accreditation to the National Voluntary Laboratory Accreditation Program (NVLAP) and the National Institute of Standards and Technology (NIST). Additionally, the NVLAP audit allowed temperature calibration to be added to the metrology laboratory's scope of accreditation.
- Acquired state-of-the-art equipment for temperature measurement within the lab's high precision balances, allowing tighter environmental control and more precise measurements for customers.

## Marketing and Communications Division

The Marketing and Communications Division (MAC) coordinates MDA's response to serious incidents involving disasters or threats to food or animal safety and/or agricultural economic viability, emergency management and emergency response capabilities. The division regulates the enforcement of the Grain Dealers Act and provides producer security review services. MAC also coordinates meetings and activities for the Michigan Commission of Agriculture and the Michigan Grape & Wine Industry Council. MAC also works as an in-house agency creating a public identity for MDA. Consulting with MDA's public information officer and division experts, MAC staff helps create key communication pieces, handles promotions and special events planning, and identifies/generates marketing opportunities for the department. MAC During FY 2002, MAC:

- Established several critical communication tools at Constitution Hall, including a public meeting notice board, electronic "smart board" computer systems in conference rooms, and a satellite TV system critical for effectively handling public emergencies. Researched video conferencing, and provided audio/visual assistance to other divisions, as needed, and more.
- Coordinated MDA's response to serious incidents involving disasters or threats to food or animal safety and/or agricultural economic viability. Of these incidents, the President declared one a disaster, the Governor declared one a disaster, and three disaster requests were submitted to the Secretary of USDA.
- Coordinated participation of department emergency management staff in two drills and one exercise each for the Palisades Nuclear Power Plant in May and June and the Enrico Fermi 2 Nuclear Power Plant in August and September.
- Coordinated continued development of MDA's emergency response capabilities to meet the challenges posed by threats to Homeland Security. Represented the department on the Michigan Homeland Security Task Force, and chaired the Agriculture and Food Supply Subcommittee of the Critical Infrastructure Protection Committee.
- Represented MDA on the Michigan Hazard Mitigation Coordinating Council, participating on the Planning Committee, and the Michigan Emergency Planning and Community Right to Know Commission.
- Coordinated six public hearings and one contested case hearing during 2002. One involved a referendum for commodity organizations organized under P.A. 232 and five involved establishment or amendments to administrative rules.
- Held three public meetings at the request of the Michigan Commission of Agriculture to gather public input on Generally Accepted Agricultural and Management Practices pending decision before the Commission.
- Held two public meetings at the request of the Michigan Agriculture Preservation Fund Board to gather public input on proposed Standards, Guidelines, an Application Process, and a Scoring System for the purpose of providing grants to local units of government for the purchase of agricultural conservation easements.

- Conducted a referendum for a new commodity marketing program, for the state's ornamental plant growers.
- Coordinated two meetings of the Agricultural Marketing and Bargaining Board. Compiled data regarding MACMA (Michigan Agricultural Commodity Marketing Association) and non-MACMA purchases for processing of the 2002 apple and asparagus crops, and reported data to the board.
- Facilitated the transfer of the Producer Security Services Section from the Finance and Administrative Services Division to Marketing and Communications. This section, which includes three field auditors, a part-time licensing specialist and a financial analyst/compliance officer, regulates the enforcement of the Grain Dealers Act and provides producer security review services for the Whole Sale Potato Dealers Act (PPPM), Manufacturing and Fluid Milk Acts (F&D) and the Licensing Livestock Dealers Act (AID). The section also provides financial accounting and review services for the Agricultural Commodities Marketing Act (AgD), Bulk Feed & Fertilizer Tonnage (PPPM), and the Michigan & UP State Fairs (FER).
- Worked with the department's legislative liaison and industry to develop enforcement changes that took effect with the rewrite of the Michigan Grain Dealers Act. The rewrite of the act allows Michigan producers and grain dealers to compete with the national grain industry, while providing adequate producer security and regulatory controls.
- Conducted continuation referendums for four of the state's 15 legislatively- organized marketing programs. All four programs were producer approved for five more years.
- Processed 439 requests for information under the Freedom of Information Act.
- Co-funded with MSU, via the Michigan Grape & Wine Industry Council, an economic impact study of Michigan's wine industry. The study showed that the industry impacts our state's economy by over \$75 million annually.
- Sponsored a two-day Michigan wine industry meeting in Northwest Michigan, attended by over 100 people, and coordinated and co-sponsored the Michigan Wine & Food Festival with partners Expositions, Inc., and Palace

Sports & Entertainment. The 3-day outdoor wine event held, at Meadow Brook Music Festival in Rochester Hills, was attended by 9,000 people.

- Launched a "Vintage Michigan" loyalty program for consumers, offering members discounts on purchases at participating wineries and retailers. Over 500 members joined the program in the first nine months.
- Awarded research grants, totaling \$129,000, for viticulture and enology research at MSU. These funds leveraged an additional \$100,000 in federal funding through the USDA funded Viticulture Consortium.
- Coordinated the 2002 Michigan State Fair Wine Competition, which received a record number of entries. The Superintendent of the competition, Chris Cook, helped secure participation by two prestigious wine judges from outside the state, resulting in increased media exposure nationally.
- Welcomed four new members, appointed by the Governor, to the Michigan Grape & Wine Council. Two agencies made changes in their designee to the Council, resulting in a large turnover of members for the 10-member board.
- Expanded the department's Internet site to provide information that was formerly distributed manually, including: nursery, pesticide, animal, and food licensing; step-by-step and "how-to" guides for starting and licensing agriculture related businesses in Michigan; the Food and Dairy Division Sanitarian Training Modules in both HTML and PDF formats; dozens of databases, enabling the public to find the information they need at their convenience and freeing MDA staff for other projects; and a "Quick Guide" for food service establishment licensing.
- Migrated the MDA Web site into the e-Michigan site, [www.michigan.gov](http://www.michigan.gov). This involved the effort of numerous personnel working together over several months, including numerous weekends. The result is a uniform look and feel over the entire MDA site, continuous with the overall e-Michigan site.
- Received 420,730 visitors who traversed a total of 1,442,552 Internet pages on the MDA site in 2002. The Fairs, Racing and Recreation sub-portal received 231,101 of those 1.44 million page views in July alone.

- Designed and produced booklets, including: MDA Priorities and Accomplishments, Generally Accepted Agricultural Practices (GAAMPs), a Farm Market and U-pick Directory, the Select Michigan Specialty and Processed Foods Directory, and more.
- Enhanced and maintained the department's Intranet site that shares important and interesting internal information to MDA staff, including the development of an online (Intranet) "plan review" database that allows MDA program managers to monitor the progress of cases in the field, and gives access to the latest information on a case.
- Provided graphic arts services for all divisions, including development and production of logos, ceremonial checks, original art for displays at the Michigan State Fair, certificates, banners, maps, pie charts, power point presentations, advertisements, posters, pictorial displays and more.
- Created and designed brochures and newsletters for Chronic Wasting Disease, bovine tuberculosis, West Nile virus, Right to Farm GAAMPs, biosecurity, human health and food safety, groundwater protection, thoroughbred racing, fiscal stewardship, venison processing, analytical service testing fees, market development, and more.
- Designed and implemented a new, magazine-style Web portal intended to showcase the many ways in which the MDA enriches the lives of the people of Michigan. Called "Agriculture Every Day," the new site features entertaining and enlightening content, and planned to be officially launched in January of 2003.

## Michigan Agricultural Statistics Service

The Michigan Agricultural Statistics Service (MASS) is responsible for compiling Michigan's official agricultural information database, which was established under a formal agreement between Michigan and the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS).

MASS conducts numerous surveys and routinely prepares forecasts and estimates on acreage, yield and production of Michigan field crops, fruits and vegetables. Crop-weather information is provided weekly during the growing season to reflect current crop conditions and development progress. MASS also estimates Michigan's livestock, poultry and dairy populations, and tracks related

commodity prices. The estimating program provides information on agricultural land values, farm numbers, land in farms, expenditures and labor. Growing areas, production and value of Michigan's floriculture industry are published annually. Another significant survey component involves collection of agriculture pesticide use data. MASS also conducts the Michigan Census of Agriculture every five years; supplemental surveys are periodically performed for aquaculture, irrigation, horticulture, and land ownership. During 2002, MASS:

- Provided county estimates for 15 major crop and livestock commodities as part of a cooperative program with MDA.
- Published the Michigan Rotational Vegetable Inventory, a complete enumeration of all Michigan commercial vegetable farms. The bulletin included the number of farms, acreage, yield, production, and prices for 19 vegetable crops. The bulletin is available in hard copy or on the Internet.
- Published the results of the 2002 Wine Grape Inventory. This provided updated wine grape information, including the number of farms, acreage, variety, and year of planting since the Rotational Fruit Inventory of 2000.
- Developed the survey methodology and collected turf management data for the first time from all sectors of the turfgrass industry. The survey, which started in the fall of 2002, was designed to measure the contribution of the industry to the state's economy, with results published in the summer of 2003.
- Prepared for the 2002 Census of Agriculture, which is conducted every five years. This involved expanding the list of potential farms to be contacted and publicizing the importance of the census through all agricultural interests in the state to maximize participation and ensure accurate statistics.
- Initiated a program for growers to earn pesticide recertification credits for completing chemical use surveys. The PPM Division approved three surveys; growers could receive one credit for completing the survey. Approximately one-third of eligible growers in each survey earned a credit; many expressed their appreciation for the opportunity to earn credits in this way.

- Completed the initial fieldwork for the annual Tart Cherry Objective Measurement Survey in which fruit counts are made on a sample of tart cherry trees across the state. The survey was curtailed in June due to the extremely small crop and a grower loss mail survey was conducted instead. The 2002 crop was a record low 15 million pounds.
- Collected chemical use information on soybeans and seven vegetable crops. Survey data will be used to evaluate chemical use levels for the U.S. Environmental Protection Agency, to use in setting worker safety standards and in administering the Food Quality Protection Act (FQPA).
- Released the annual statistics bulletin, which included details of 2001 production, stocks, inventory, disposition, utilization and prices of agricultural commodities. The publication included MDA's annual report, Michigan rankings, record highs and lows, county estimates, and chemical usage data.
- Worked with the National Association of State Departments of Agriculture (NASDA), using telephone and field enumerator staff located throughout the state and employed by NASDA, to assist in collecting data from farmers and agribusinesses.

## **The Office of Racing Commissioner**

The Office of Racing Commissioner (ORC) is an independent agency within MDA that regulates pari-mutuel horse racing in Michigan, in accordance with the state's Horse Racing Law and the rules of the Racing Commissioner.

The Racing Commissioner, appointed by the Governor for a four-year term, prescribes rules, regulations and conditions under which all pari-mutuel horse racing meets are conducted in the state.

The ORC allocates race dates and issues track, race meeting and occupational licenses. The office also collects license and track revenues, appoints stewards and veterinarians to represent the state, approves track-appointed officials, and monitors the daily conduct of horse racing. ORC also conducts equine and human drug testing programs, and investigates any irregularities in racing that may lead to formal hearings and sanctions. ORC functions primarily as a regulatory agency, but also focuses on improving and promoting horse racing in Michigan. During FY 2002, the ORC:

- Expanded regulatory functions through the licensing of all pari-mutuel tellers at Michigan's seven racetracks.
- Increased the level of security at racetracks by requiring track operators to develop emergency preparedness plans and train personnel in emergency procedures. ORC also introduced the use of video cameras and a mandatory sign-in procedure in the paddock and stable areas.
- Improved proficiencies in drug detection capabilities in the area of Blood-Carbon (TCO2), Salix and Eliza testing in cooperation with the Drug Testing Standards and Practices Committee of Racing Commissioners International.
- Engineered a fully integrated licensing system and issued approximately 8,500 occupation licenses in its first year of operation.
- Conducted investigations of three applications to build racetracks in the state filed by Magna Entertainment Corp., EQTAH Group Ltd., and Triple Creek Associates, LLC.
- Identified three offenders for accepting illegal telephone and Internet account wagers from Michigan residents and issued cease and desist letters in collaboration with the Michigan Attorney General.
- Initiated the collection of statistics, in partnership with Public Sector Consultants, to estimate the total economic impact of the horse racing industry on Michigan's economy. According to the report, horse racing is a \$1.2 billion industry responsible for 26,200 jobs.
- Accepted the resignation of Annette Bacola as Michigan's Racing Commissioner on December 20, 2002. Bacola served as Racing Commissioner since August 1999. Welcomed Racing Commissioner Robert Geake, who was appointed December 21 for a term that extends through December 31, 2004.

## **Pesticide and Plant Pest Management Division**

The Pesticide and Plant Pest Management (PPPM) Division, in cooperation with the U.S. Environmental Protection Agency (EPA), regulates the distribution, sale and use of pesticides in the state. Under the authority of state and federal laws, PPPM administers programs to

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protect human health and the environment from potential risks related to the improper use of pesticides. The division also oversees programs to control exotic pests, certify nursery stock and other plant material for interstate shipment, inspect and grade fruits and vegetables, and certify commodities for export. PPPM also ensures consumer protection through proper storage and labeling of agricultural products such as feed, seed, fertilizer and animal remedies. During fiscal year 2002, the division:

- Worked on and implemented the State Arbovirus Emergency Response Plan as a result of the outbreak of West Nile virus (WNV) in Michigan. This plan also maintained a surveillance program looking for other arboviral diseases, including, Eastern Equine Encephalitis, St. Louis Encephalitis, and WNV. The 2002 arbovirus surveillance project involved individuals from local health departments, state agencies, mosquito control districts, and universities. In addition to previous activities such as submission of dead crows and mosquitoes for WNV analysis, PPPM monitored local mosquito suppression activities to ensure that community pesticide applications occur in compliance with regulatory requirements. PPPM also facilitated an update to the Michigan Mosquito Manual, working with numerous industry, education, state and federal partners. This manual provides a blueprint for any community to manage mosquito populations and communicate personal protection practices.
- Established quarantine measures to manage a new exotic insect - Emerald Ash Borer - identified in July 2002. Additionally, conducted intensive surveys in Southeast Michigan in order to define the limits of this destructive pest of ash trees. Over 3,000 sites (woodlots, street trees, and nurseries) were surveyed. The quarantine was implemented in six counties including, Livingston, Macomb, Monroe, Oakland, Washtenaw and Wayne, as a result of survey efforts. Also conducted outreach to the public and all those affected by this pest, including establishing a Web site, press releases; media events; various meetings with industry, forestry officials, right of way services and nursery businesses; and direct mailings to certified applicators.
- Inspected and certified more than 15,000 acres of nursery stock and more than 15,000 acres (831 fields) of commercial Christmas tree production for compliance with interstate and international trade standards.
- Issued 2,060 federal phytosanitary certificates for exports of agricultural commodities. Commodities

certified for export included beans and grain, fruits and vegetables, logs and lumber and propagative plants and plant parts.

- Conducted 272 BSE (Bovine Spongiform Encephalopathy) inspections at 268 facilities producing or distributing animal feeds. More than 98 percent were in compliance with federal BSE regulations.
- Collected leaf samples from 35,932 stone-fruit trees to test them for Plum Pox Virus (PPV), as part of a national survey. All samples tested negative, providing reassurance to Michigan's \$1.7 million stone fruit nursery and orchard industry.
- Coordinated the gypsy moth cooperative suppression program, resulting in the treatment of 2,271 acres in three counties. The Slow-the-Spread trapping program placed and retrieved 2,076 traps in 14 counties in both the Upper Peninsula and Lower Peninsula.
- Conducted 6,542 shipping-point inspections and 1,082 market inspections to determine the grade of produce. Produce entering Michigan from other states and foreign countries, and destined for both the fresh market and processing, was also inspected.
- Submitted 17 requests to EPA for emergency exemptions to allow the use of an unregistered pesticide to control an emergency pest problem, in accordance with Section 18 of the Federal Insecticide, Fungicide, Rodenticide Act (FIFRA).
- Conducted several pesticide product and use-related inspections and investigations, including 165 pesticide use investigations, 39 of which occurred in agricultural situations; 104 planned use inspections, 54 of which occurred at commercial applicator facilities; 55 pesticide-producing establishment inspections; 25 federal marketplace inspections; 67 restricted use pesticide audits and 1,077 compliance monitoring contacts/inspections.
- Administered 13,881 examinations to individuals seeking pesticide applicator certification or registration credentials and approved 754 seminars for recertification credits allowing 1,597 applicators to renew their credentials through continuing education programs.
- Finalized the amendments to Act 451, Part 83, Pesticide Control. Significant changes include e-commerce

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regulatory authority for pesticide registration requirements, prohibitions for selling pesticides for illegal use (other than allowed by label use directions), minimum age restrictions for commercial applicator certification (18 years), and fee increases to support pesticide programs.

- Completed the rulemaking process for amending Regulation 636, Pesticide Applicators. Significant changes add two new categories for certification of applicators performing pest control on domestic animals and treating sewers for invading tree roots. Amendments also require applicators to complete the certification or registration process within six months instead of 12 months and collect recertification (continuing education) credits prior to credential expiration.
- Conducted more than 580 sanitation inspections of Michigan's 371 grain elevators and feed manufacturing facilities to ensure the safety and integrity of raw grain commodities in storage.
- Completed an EPA audit covering five years of state inspections related to federal Worker Protection Standards (WPS). Due to recent challenges and litigation related to EPA's national implementation of the WPS, EPA revised their inspection format and will implement changes through state cooperative agreements (grants). The purpose of the audit was to confirm that PPPM has taken appropriate action to update state inspection programs and conduct enforcement actions for non-compliance.
- Partnered with state agencies and stakeholders to advise agricultural dealers and farmers on how they can help deter illicit use of anhydrous ammonia while protecting its safe, intended use. Projects included presentations, press conferences, creating and updating Internet site information, and distributing bumper stickers, brochures, and tabletop displays to agricultural-related groups.
- Advised agricultural dealers and farmers on how to deter illicit use, including bioterrorism, of certain fertilizers, such as anhydrous ammonia and ammonium nitrate, while protecting their safe, intended use.
- Conducted annual inspections of commercial facilities storing bulk amounts of pesticides and fertilizers. In 2002, the structural compliance rate went from 60 percent to nearly 100 percent. In one year's time, MDA worked with industry to ensure that all commercial

facilities storing bulk agrichemicals in Michigan have containment.

## Conclusion

As you can see, the Michigan Department of Agriculture plays an extensive role in the daily lives of Michigan residents. The administration and staff of MDA respectfully submit this report to the citizens of Michigan. We hope you find it informative and useful.

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